

Grading changes aim for an A+

By Roger Boye

Following months of criticism from hobby experts, the nation's largest organization of coin collectors has adjusted the operation of its influential coin grading service.

The changes may make the service more acceptable to coin dealers, many of whom say the persons employed to grade coins err in their work. At the extreme, some dealers want the American Numismatic Association Certification Service to quit the grading business.

Coin grading—or judging the condition of a rarity—became a sore subject with many hobbyists as the prices of old coins shot up during the 1970s. Often, “honest experts” will evaluate a piece differently, and slight variations in the grade awarded to a coin can result in huge price differences.

For example, a 1914-D Lincoln penny in “about uncirculated condition” might fetch \$500. The same coin judged to be in the slightly better condition category of “uncirculated, typical”

would retail for about \$1,200.

In the last three years, many hobbyists have used the ANA Certification Service to arbitrate their coin grading disputes [collectors pay a small fee to use the service]. But even some ANA supporters admit that the service often lacks consistency.

Under new grading rules established by the ANA's board of governors last month, the service will issue two grades if ANA experts can't agree on what condition category a coin merits. In extreme cases of disagreement, the service will refund the fee and return a coin to the owner without giving an opinion of coin grade.

The changes adopted by the ANA are mild compared with a proposal made in June by ANA Vice President Q. David Bowers, one of the country's most respected coin dealers. Under that plan, the ANA would have graded coins with general terms such as “very fine” or “extremely fine,” rather than a more detailed system of numerical grades now used by the service.

Meanwhile, Thomas K. DeLorey, the ANA's senior authenticator, said late last month that, effective immediately, a minimum of four—rather than three—ANA staff members will grade every coin submitted to the service by collectors. That change should result in more uniform grading.